



Annual Report & Accounts 2024-25

For the year ending 31 August 2025

Paces Sheffield (A Company Limited by Guarantee)
Charity Commission Registration Number: 1104356
Registered in England & Wales Company Number: 04793176



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Paces Sheffield Annual Report and Accounts for the year
ending 31 August 2025



Introduction

The trustees, who are all directors of the charitable company present their annual report on the affairs of the charitable company, together with the audited financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Director of Services’ Introduction

It has been a year of growth, resilience, and deepened impact across every part of Paces Sheffield. As Director of Services, I am immensely proud to reflect on the progress we have made in delivering high-quality education, care, and lifelong learning opportunities for children, young people, and adults with physical disabilities.

Our ethos of Conductive Education continues to underpin everything we do — empowering individuals to achieve greater independence, build meaningful relationships, and realise their potential. In 2024–25, we have strengthened our services, grown our skilled and passionate workforce, and enhanced the environments where our learners thrive.

Across Paces School, Adult Service and our Parent and Child Programme, we have witnessed inspiring stories of progress from children taking their first independent steps to adults achieving new milestones in daily living and communication. These outcomes are made possible by the dedication of our staff, the trust of families, and the unwavering support of our partners and funders.

As demand for our services continues to rise, we remain focused on ensuring sustainability and quality through careful planning, investment in our people, and a continued commitment to innovation. Looking ahead, our priorities are clear: to maintain excellence, expand opportunities, and champion a society that recognises and celebrates the ability within every individual we support.

Ruth Liu
Director of Services
Paces Sheffield



Who we are & What we do

Charitable Objective

To promote the care, welfare, interest, treatment and education of persons with motor dysfunction in particular by the promotion and provision of facilities for Conductive Education.

Our Vision

Our vision is to foster a culture of independence and inclusivity by providing lifelong support through the ethos of Conductive Education.

Our Mission

We enable individuals with physical disabilities to lead independent, fulfilling lives by providing tailored support rooted in the ethos of Conductive Education.

We have an approach to service delivery that captivates all learners, engages all senses, promotes as much independence as possible, and affirms success daily.

We ensure that everyone connected to our charity understands our purpose, vision, and strategy — so we can work together to create services that support meaningful change.

We build confident and capable staff, equipping them with the skills to support our learners by delivering exceptional services, education and care.

Paces Sheffield is a specialist charity supporting children and adults with complex physical disabilities and associated learning difficulties.

Paces has a strong reputation in the specialist provision of Conductive Education (CE), a holistic system of learning for children and adults with neurological motor conditions, such as Cerebral Palsy and stroke.

Throughout all of our services, we focus on ability, not disability.

Our person-centred programmes help children and adults obtain independence by increasing flexibility and motor skills, key to walking, lying, sitting, eating and drinking.

Increased movement and independence lead to an increase in self-confidence, which transfers into all other areas of life.

We support children and adults to break everyday barriers to disability, helping them access a range of opportunities in their wider community, away from Paces.

Paces supports children and adults from across Yorkshire and North Derbyshire.

Paces School for Conductive Education for children aged 4–18 currently supports 62 pupils. The school delivers an enabling and challenging curriculum to help all children succeed in their personal goals. We are rated “Good” by Ofsted.

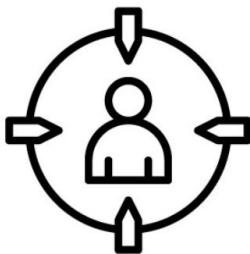
Our **Parent and Child Programme** (*part funded by BBC Children in Need*) supports 15 children (aged 0-4 years old). By addressing children’s needs at an early stage, we can have a hugely positive impact on their quality of life. Our programme also supports parents and family members to identify where and when to access appropriate support to best address family needs.

Paces Adult Service delivers programmes that focus on improving and/or avoiding the deterioration of physical and cognitive abilities. The service currently supports 19 adults. Paces Adult Service offers ongoing support to young adults leaving Paces School to access external training, college and/or employment; or lifelong learning at Paces.

The service also operates a sessional stroke active movement programme which helps people to develop strategies to gain greater control over movement, leading to increased confidence and physical safety.

Our Values

People Centred



Accountability



Compassionate



Excellence



Success



Our Impact

Parent & Child Programme

78%

improved their ability to communicate.

96%

Children have increased confidence and independence.

91%

Children have improved their mobility.

96%

Parents said their children engage more in family life.



Paces School

94% of pupils feel safe in school

100% of parents felt their child does well in school

95% of families say the school is well managed





Community

Proud to be a major employer in the local community

65% of staff live within 2 miles of Paces School.

97% of our 105 staff members reside in South Yorkshire

Our People

101 Employees

82 Full-Time Equivalents

72%

of our staff would recommend Paces as a great organisation to work for

78%

Agree that they have a healthy work-life balance

78%

Our organisation are satisfied with their role within Paces.

Adult Services

100%

family members felt that adult day service provision improves or maintains their loved one's physical abilities



100%

improved health and wellbeing in our sessional Active Stroke Movement Group

Finance

13%

Increase in Income

Reserves and cash balance have grown steadily to support long term strategic projects



Paces School

What we achieved:

Our School:

- As at 31.8.25, Paces School had 62 children on roll (58.2 FTE). In August 2024, there were 58 pupils on roll (54.6 FTE), a 6.6% Increase.
- The school currently operates a DfE licence for 60 Full Time Equivalent pupils, and such is approaching its capacity.
- The primary need of all the pupils at Paces is a neurological motor difficulty, the majority of whom have a diagnosis of Cerebral Palsy (CP) or a condition that presents similarly. As a consequence of their diagnosis, many of the pupils have additional challenges, for example, in the areas of communication and language and cognition and learning.
- Pupils come from 9 Local Authorities, with nearly half from Sheffield.
- The school was inspected in June 2024 by Ofsted and was rated ‘Good’.
- Pupils are supported by a team of Conductor Teachers, SEND Teachers and a wider team of highly skilled and dedicated support staff. This year, particular effort has been invested in growing Teacher/Conductor capacity through training and internal promotion. One staff member gained Multidisciplinary Conductor status, one achieved Qualified Teacher Status, and we externally recruited an unqualified teacher who is currently working towards Qualified Teacher Status.

Extended offers:

- We ran a successful summer school in July 2025 for 5 days. This was attended by 12 pupils from Paces School and run by Conductors with the support of Conductor Assistants. The programme of activities included a range of Conductive Education programmes and workshop-style sessions, including cooking, sports and arts and crafts.
- In May 2025, we ran a 4-day residential education visit to the outdoor adventure centre, Bendrigg. 8 pupils from KS3-5 enjoyed the visit and participated in activities including orienteering, canoeing, abseiling, archery and much more. For some pupils this was their first experience away from home and the feedback was overwhelmingly positive with pupils gaining a sense of independence.

Partnerships

School Improvement Partner:

- The school continued to commission the School Development Partner services from Learn Sheffield. They provide independent monitoring and guidance regarding writing our school improvement plan and Self Evaluation Form. Their advice on school improvement has been very insightful, and they provided connectivity and governance. Learn Sheffield also provides opportunities to develop partnerships and continuing professional development for senior leaders.

Therapeutic services:

- The school continues to work with Ryegate and employs the services of physiotherapists, occupational therapists and a therapy assistant, as well as providing services such as orthotics and wheelchair clinics.
- In addition to this, we employ the services of a speech and language therapist to support the pupils with their communication needs.

Pupil well-being feedback



85% of pupils report being happy.



94% of pupils feel safe in school



74% of pupils know who to go to when they are upset.

Parent/Carer feedback

- ✓ 100% feel their child does well at Paces School.
- ✓ 100% feel that the school communicates how their child is doing.
- ✓ 95% feel that the school is well managed.
- ✓ 95% would recommend the school to others.
- ✓ 85% of parent/carers believe the school has high expectation for their child.



Paces School

What we achieved:

- The majority of pupils made significant progress in all areas of learning.
- 4 new pupils joined our school population.
- Very high levels of employee engagement and job satisfaction were demonstrated via the Paces employee survey.
- Documents relating to the knowledge of progression and skills in all areas of the curriculum were created.
- Little Wandle phonics scheme embedded throughout the school.
- Development of a more comprehensive KS3-5 curriculum with a focus on Careers and Preparation for Adulthood.
- Delivery of a 5-day summer school, supporting 12 children which was filled with fun activities. Paces Summer School creates much need provision for families who struggle to arrange appropriate cover over the summer holidays.

Plans for the future:

- Develop the quality of Conductive Education with a particular emphasis on transference of skill, setting targets and tracking progress.
- Enhance the monitoring of the progression of skills and knowledge across all areas of the curriculum.
- Continue to embed the use of the Engagement model to support the assessment of key groups of pupils.
- Develop the quality and consistency of the reading curriculum across all classes.
- Continue to develop a high-quality Post 16 provision that fully prepares pupils in regard to Preparation for Adulthood.
- Further develop a whole school approach to supporting the mental health and wellbeing of all staff and pupils.
- To embed the new leadership and management roles across the school with a focus on key areas of development.
- Develop the reputation of Paces as a strong provider of CE within the nation throughout our partnerships and commitment to ongoing training for staff in various roles.



What we do:

Paces Parent and Child Programme (formerly known as Paces Outreach Service) supports children (aged 6 months-4 years) and their families. The programme is a free service, supported by our fundraising efforts.

Through the programme, we support children from the point of diagnosis through to attending school and beyond. Early intervention can have a hugely positive impact on the quality of life for children and their families.

The provision presently operates two days a week and currently supports 15 children. Children attend in small group sessions.

What we achieved:

Through a recent comprehensive evaluation process, we have evidenced that children have improved mobility, communication and social skills. Parents and carers have improved their own circumstances and resilience, particularly through peer support and shared experiences.

The service empowers families to best support their child and when required, to seek appropriate levels of support from wider professionals.

We also support children and families through pathways into education. Each year, around 65% of children are supported into mainstream education or other specialist provisions). 35% of the children become pupils at Paces School.

The Parent and Child Programme is not only an essential service for families, it also acts as a feeder to places at Paces School; this supports the charity’s long-term sustainability.

Parent feedback

- ✓ 100% feel their child has improved their ability to walk with support
- ✓ 100% feel their child has increase confidence and independence
- ✓ 100% feel that they are better equipped with skills to support their child’s needs

“Coming to Paces has 100% helped prepare Oscar for mainstream education. At Paces we focus on what Oscar can do, not what he can’t do. As a mum that has given me real confidence to empower him.”

“Last Christmas I had a photo of Oscar sitting on the floor watching his sisters decorate the tree. This year I have a photo of all three of them decorating it together.”



Adult Services

What we do: Our Adult Day Care Service is based at our Smithy Wood building. We currently support 19 young people and adults (13.5 FTE) an increase of 13.5% on the previous year (11.9 FTE). Our service users have a variety of needs but whose primary need is a physical disability. Service users engage in a range of different activities throughout the day. Each day is carefully planned to ensure the needs of all of our service users are met. This means that at any one time there is a range of different activities on offer. We also operate a sessional stroke support programme supporting 9 people to develop strategies to gain greater control over movement.

Physical programmes: Our priority and focus is to ensure everyone is engaged and enabled to be as independent as they possibly can be throughout the day. Across the week individuals can participate in physical programmes (task series) as well as passive movement programmes. Service users are encouraged to actively participate wherever appropriate, and programmes are planned carefully to ensure each individual is challenged in a supportive way, always experiencing success along the way.

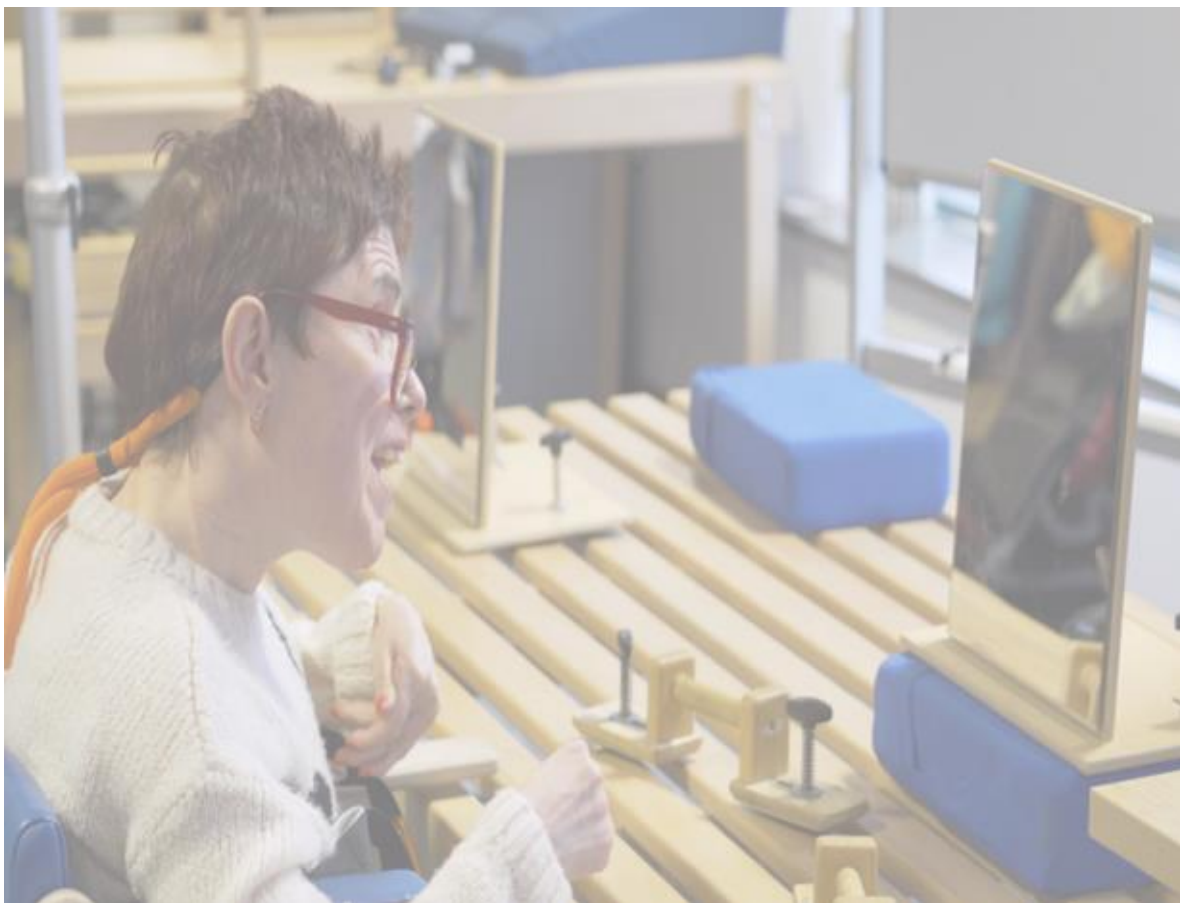
Independent living skills: Service users are encouraged to participate in a range of activities focused on developing their independent living skills, these include shopping, budgeting, cooking and baking. Service users are encouraged to utilise the physical skills they have been taught through the CE programmes to ensure they are fully participating in a meaningful way.

Multi-sensory experiences: for our service users with more multi-sensory needs we provide opportunities for them to learn and develop in ways that are motivating and engaging. Our expert team plan activities, often linked to the topic or theme of our wider service, to ensure that everyone has the opportunity to be fully included.

Trip, visits and wider opportunities- as part of our offer we aim to access activities within our wider community as much as possible. This can mean inviting people from our local community to visit us or getting out and about. Trips are planned to meet the needs of the individual and so will vary accordingly. Examples of recent trips are; bowling, theatre visits, Yorkshire Wildlife Park and many more. Opportunities to work with different people and engage in sessions with professionals such as musicians, artists as well as small animal companies are also built in.

- Successes:**
- The physical environment has been developed throughout the year with new life skills, bathroom space and hoists added to key areas.
 - A new area with a more multi-sensory focus has been developed, enabling a more diverse range of activities.
 - A new online programme, Log My Care, is being utilised to capture key details regarding service users daily routines.

- Plans for the future:**
- Ensure consistent implementation of systems, processes and policies to monitor and manage a high-quality service meeting the needs of all service users.
 - To strengthen the quality of the adult services provision by the consistent implementation of a comprehensive staff training programme that enhances existing areas of expertise, promotes continual professional development and equips all team members with the knowledge, skills, and confidence to deliver person-centred, safe, and innovative care.
 - To enhance the provision of care and support for adults with complex multisensory needs by developing more specialist approaches, improving the environment, and equipping staff with skills and resources to deliver responsive and holistic support that promotes communication, engagement, and overall well-being.
 - To develop a more stimulating and aspirational service offer for more able service users by expanding opportunities for independence, learning, meaningful occupation, community participation, and personal growth, ensuring their abilities are recognised, challenged, and fully supported within the framework of Conductive Education.



Safeguarding

Safeguarding is a core priority across all areas of Paces Sheffield — encompassing Paces School for Conductive Education, the Parent and Child Programme, and Paces Adult Services. We recognise our statutory and moral duty to protect every child, young person, and adult who engages with our charity from harm, neglect, or abuse.

Our safeguarding framework is robust, proactive, and consistently reviewed in line with *Keeping Children Safe in Education (2025)*, the *Care Act (2014)*, and local authority procedures. Our charity’s Safeguarding Policies are reviewed annually by the Senior Management Team and approved by Trustees through the Conductive Education Quality Assurance Committee, which holds governance oversight of safeguarding practice.

All Paces staff, governors, trustees, and volunteers receive regular safeguarding training, including induction, annual updates, and role-specific refreshers.

Paces operates a clear Designated Safeguarding Lead (DSL) structure across services:

- **Paces School:** Led by the Deputy Headteacher who is the Designated Safeguarding Lead with trained Deputy DSLs supporting across the school.
- **Parent and Child Programme:** Overseen by the School DSL team to ensure early identification and support for children and families.
- **Adult Services:** Managed by the Adult Safeguarding Lead, who ensures adherence to Sheffield Safeguarding Adults Board procedures.

All safeguarding concerns raised were dealt with promptly, appropriately, and in full accordance with local safeguarding procedures.

Paces continues to promote a strong culture of safeguarding through:

- Regular policy and procedure reviews and annual trustee scrutiny.
- Staff supervision and reflective practice.
- Termly safeguarding audits.
- Ongoing partnership working with education, health, and social care professionals.

At Paces, safeguarding is not simply a compliance exercise — it is embedded in our ethos of *promoting independence, building relationships, and achieving potential* for every learner and service user.



Our Sites

Due to significant demand for school and adult service provision and an inability to expand at our previous premises, Paces moved into new Adult Services/Charity Team premises (Smithy Wood Business Park) in March 2021 and new school premises (Thorncliffe Hall) in November 2022.

Refurbishment of both premises was financed by a crowdfunded £1.5m bond, charitable grants and general fundraising efforts.

To finance the repayment of our crowdfunded bond (social lending), an 8-year business plan was developed based on the incremental growth of both children’s and adults’ services.

The moves have created high-quality learning and service delivery environments and have enabled Paces to support a greater number of children and adults, meeting some of the demand for both adult service provision and special educational needs school places. Paces is now supporting double the number of children and adults, which has been achieved in just 4 short years.

2024/25 has seen continued growth of FTE places, which supports our financial sustainability.

Thorncliffe Hall



Smithy Wood and Thorncliffe Hall are conveniently located just off the M1 (junctions 35a and 35). Both locations have been instrumental in meeting the needs of a specialist client need. The school now supports children from 9 LA areas and Adult Services (Smithy Wood) from 5 LA areas.

Since moving to new premises interconnectivity between both sites has been strong. Journey time by car (M1) is 5 minutes. We also use the Transpennine Trail (old train line) to undertake walks between both services with both children and adults.



Fundraising

The majority of Paces income is derived from statutory income which we receive for the delivery of school places and adult services provision, however, we rely on our fundraising efforts to support essential services and specialist equipment, the costs of which are often not met by statutory contractual income.

These services and equipment are in effect the 'glue' that gels together statutory and non-statutory provision and ensures we deliver a comprehensive and coordinated service for our children, adults and their families.

We are supported by grant-making trusts and foundations, donations and corporate partnerships and through individuals who support us at a range of events.

Thanks to the support and generosity of our supporters, fundraising raised £271,277 (gross income) in 2024-25.

The trustees would like to take this opportunity to thank our supporters who have been instrumental in ensuring we are have been able to support the needs of an ever-growing number of children, adults and their families.

Grant-Making Trusts and Foundations

We received a total of £177,873 in donations thanks to the generous support of a range of trusts and foundations. Our efforts through grant fundraising have helped to support our Parent and Child Programme, Summer School, Bendrigg residential and Adult Sessional Stroke Programme.

Importantly, grants have also covered the cost of equipment. Without specialist equipment, positive outcomes for children and adults would be significantly impeded.

Paces Annual Winter Ball

Paces held its 4th Annual Ball in November 2024, raising a total of £14,840. Secret singing waiters and a band livened the evening, but the highlight was a rendition of 'My Own Superhero' by Pace's school choir.

Paces Runners

81 runners pushed themselves to their limit on behalf of Paces, raising an amazing £9,666 from the Sheffield 10K and the Sheffield Half Marathon.

Paces Volunteers

We work with an amazing bank of volunteers, who support us at all of our events, we'd like to say a huge thank you, not only for your time but for your enthusiasm, passion and dedication, for everything Paces.

Club 300

We continue to grow Club 300, our charity business club. Membership at the end of August 25 included 57 businesses that don't solely financially support the charity, but give pro-bono advice and support. More latterly, the fundraising team have significantly increased Club 300 membership, which currently stands at 72 members.

Through Club 300 we host a full calendar of fundraising events, many of which have been sponsored by our Club 300 members.

Paces Golf Day

Our ever-growing annual Golf Day was attended by 104 Golfers across 25 teams. The Golf Day raised an amazing £12,067. Ryder Cup winner Matt Fitzpatrick is a Paces Patron and Matt's support certainly helps towards the golf day's success!



Fundraising

Paces Sheffield has a dedicated team of Fundraising Staff. This currently includes our Fundraising and Communications Manager and our Fundraising Events Coordinator. Paces also employs a part-time Trusts and Grants Officer and our Head of Strategy, who dedicates two days a week to grant fundraising.

Fundraising Practices

Paces is registered with the fundraising regulator and complies with standards set out in the Code of Fundraising Practice. The charity does not employ and has never employed commercial fundraisers. In particular, the trustees would not support paying of third-party commercial organisations to fundraise on Paces Sheffield’s behalf.

Our charity has a trustee adopted fundraising policy, fundraising strategy and cash handling procedure. All aspects of the way the Fundraising Team operates refers to the Fundraising Regulator Code of Fundraising Practice.

Paces operates a complaints policy that sets out a procedure for complaints, investigation and resolution. In 2024-25 there were no complaints about fundraising activities at Paces.

The charity does not mailshot members of the public, and would never 'chase' donors in search of funds. This would be contrary to the expressed articles and objects of the way our charity is governed and led, both by trustees, governors and staff. Such approaches would also be in breach of our adopted GDPR Standards.

Paces employs an external Data Protection Officer (Bruce & Butler, Sheffield) who work with Paces to ensure the management of data is held and processed effectively.



Fundraising Strategy

Paces has found the fundraising climate more challenging over the last three years, as the cost-of-living crisis has impacted individual, corporate support and Trust and Foundation support. In response to the challenge, in March 2025, we developed a longer-term fundraising strategy which has key objectives that are aligned to Paces’ plans for the future.

Key objectives are to:

- To deliver high-quality events.
- To increase the number of corporate partners who seek to share Paces vision.
- To best support individuals and partners to fundraise on Paces behalf.
- To increase the number of volunteers to maximise opportunities.
- To increase income and improve return on investment (RoI).

What have we achieved through the fundraising strategy:

- A more expansive annual events calendar with a higher level of RoI.
- A higher level of engagement in the community and a resultant diversification of our income streams.
- Increased number of Paces Patrons (supporters) and Ambassadors (regional business leaders).
- Fundraising efforts aligned to priority projects at Paces.
- An increase in the volume of grant applications.

Ambitions for the year ahead:

- To develop more income strands through Paces community events.
- Create a new website (including digital ‘donate’ fundraising) and marketing materials.
- To develop upon our successful Corporate Social Responsibility (CSR) days.
- Grow our community of stakeholders and fundraisers whilst ensuring Paces’ ethos and an understanding of the needs of our children, adults and families is embedded throughout our partnerships.



Our People

Paces staff are key stakeholders in the organisation. Without dedicated, skilled and passionate employees, we could not provide effective services to an ever-growing number of children, adults and their families.

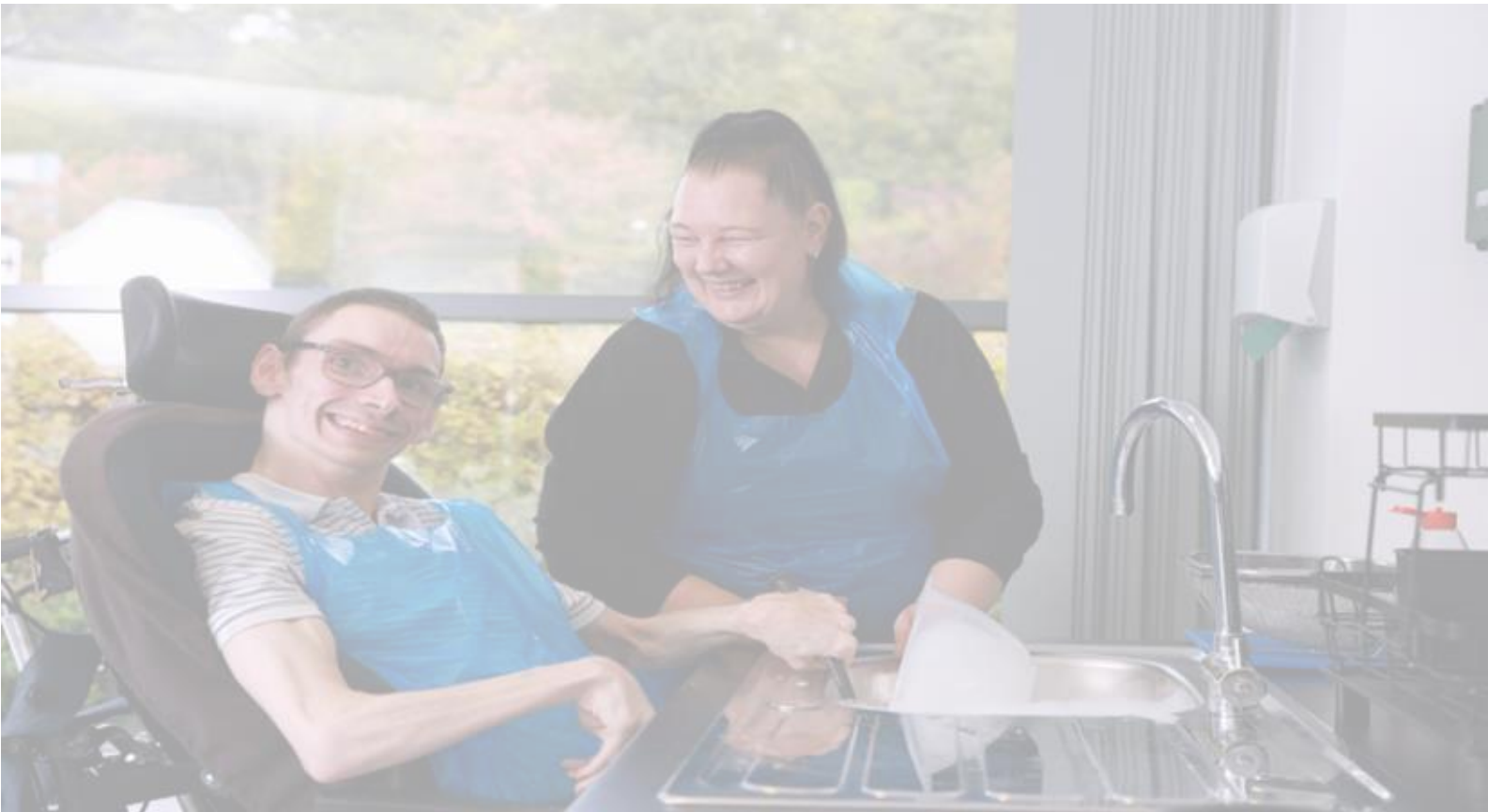
Paces developed a new HR strategy in the spring of 2025, which was adopted by Trustees in June 2025. The strategy focuses on:

- **Development:** by delivering high-quality training that adapts to the changing needs of the organisation.
- **Engagement:** increasing engagement, ensuring that all our people understand our charity’s mission, vision, aims and our future strategy.
- **Leadership:** building strong and self-sufficient people managers supported by an efficient HR support function.
- **Nurture:** nurturing a healthy, safe and inclusive culture conducive to attraction, retention and high performance.
- **Attract:** exploring external talent within the Conductive Education community by nurturing existing partnerships.
- **Retention:** identifying talent and developing the capability of our people internally.

We operate in the special educational needs and adult social care sectors, which can often be challenging staff environments. We are proud that our staff retention is currently 87%, which compares favorably to the public sector average of 84%

We currently employ 12 Conductors and SEN Teachers, of whom we have a 100% staff retention rate (SEN Teachers UK average retention rate is 85%).

In the coming year, we are seeking to introduce new roles within the organisation which will further support career progression and the retention of staff at all levels.



Paces Engagement Survey

In support of our HR strategy, we undertake our annual engagement survey. Across the charity, we received a 65% response rate, which was a 43% increase on the previous year:

- 78% of our organisation are satisfied in their role at Paces
- 72% of our staff would recommend Paces as a great organisation to work for.
- 78% report they have a healthy work-life balance.

Staffing and investment in our local community

Since moving our school, adult and charity team to new premises, the charity has undergone significant growth over the last four years. In 2022, we employed 64 staff.

Paces currently employs 101 employees, many of whom are part-time or have term-time contracts, this equates to 82 full-time equivalent (FTE) posts. The previous year, Paces employed 91 staff (73 FTE). Staffing has increased by 11% during 2024/25.

97 of our staff reside in South Yorkshire. 70 staff live within 2 miles of Paces School (predominantly Chapeltown and Ecclesfield communities). Local staff are represented at all levels of the charity.

We are proud that we continue to create new positions of employment for local people as we continue to grow.

We continue to invest in the local community through fundraising events and by hosting coffee mornings and seasonal fairs.



Plans for the Future

Context

The need and demand for all of Paces services remains high. High demand for SEN schooling provision and adult social care was a significant factor in Paces decision to seek funding to refurbish and move to new premises in 2021 and 2022.

Paces original business plan, which supported the financing of both refurbishments was based on incremental growth of services over eight years, to reach a capacity of 60 FTE SEN places and 20 FTE adult places in 2029. Three years since moving to Thornccliffe Hall the school is nearly at capacity (58.2 FTE).

Our adult service provision continues to grow, albeit at a slower pace but still experienced 13.5% growth over the last year and is now supporting 19 adults (13.5 FTE).

Future Plans

Over the next three years, Paces School will have increasingly large cohorts of secondary-age pupils progressing into our *Transitions to Adulthood* programmes.

As a strategy for back-filling school places, our Parent and Child Programme has been expanded and is a crucial part of Paces’ future plans. A significant focus of the Fundraising Team’s activity in 2025–26 will be to fund this provision. To support this, an evaluation evidencing strong project outcomes has recently been completed and will strengthen our fundraising efforts.

Some young adults leaving Paces School will be supported into external training, college, employment and/or other day service opportunities. However, it is anticipated that a significant proportion of young adults will seek a place within Paces Adult Day Service.



Presently, there are two key challenges to accommodating demand from Paces School for our adult service provision:

Staffing capacity in adult services – Currently, the Adult Day Service operates with 1.2 FTE Conductor/Teachers. This capacity will need to increase significantly to enable support for up to 20 FTE.

Spatial capacity at Smithy Wood – While projected growth can be accommodated at Smithy Wood over the next four years, forecasts indicate the service will reach full capacity by 2029. Beyond this point, spatial constraints will limit further growth and our ability to expand *Transitions to Adulthood* provision. As part of our longer-term strategy, Paces has expressed an interest in purchasing the Smithy Wood site in 2026, providing greater security and flexibility to plan for future development and potential expansion of adult services.

- Over the next four years, the Senior Management Team has a remit to deliver:
- A larger adult day service provision
 - An enhanced Post-16 and adult services offer that develops employment and training opportunities for young adults with physical disabilities
 - Increased numbers of Teachers and/or Conductors

Much of this work is already underway:

Over the last year, we have invested significantly in our workforce with the aim of increasing the number of teachers and conductors. Currently, five staff members are undertaking undergraduate studies, teacher training or multidisciplinary qualifications. Establishing a strong pipeline of future Conductor/Teacher training opportunities has been prioritised by the SMT.

In addition, SMT resource has been invested in identifying need, demand and financial feasibility for new provision beyond 2028. This work forms part of an active, forward-looking strategy to prepare for the evolving needs of our growing population of children and adults.



Risk Management

The Trustees are responsible for ensuring that a robust risk management system is in place and is enacted throughout the charity. This includes setting the level of acceptable risk and ensuring that Paces has policies and procedures in place for identifying, addressing and preventing risks.

The SMT has responsibility for the development and operational management of comprehensive risk management processes for all operational areas of delivery. The SMT achieve this through the effective monitoring of the Paces Risk Register and through ensuring that effective policies and procedures are developed, implemented and adhered to throughout the charity at all levels.

Paces Trustees have oversight of Paces Risk Register at Paces Compliance and Risk Sub-committee, which reports to the full Trustee board. The Compliance and Risk Sub-committee reviews the risk management framework bi-annually.

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate exposure to these major risks. Risks have been identified and mitigated through the organisation’s risk register and risk minimisation processes.

Key risks identified along with steps that have been put into place to mitigate those risks:

Health and Safety, Facilities Management & Buildings Compliance

Risk	Mitigations
Health and safety compliance failure	<ul style="list-style-type: none">• The charity has adopted the principles of Good Estate Management (GEMS) established by the Department for Education.• The Head of Operations is responsible for meeting GEMS requirements across both of the charity’s sites. HoOp’s is designated ‘competent person’ and is responsible for the development of policies and procedures.• The HoOp’s is supported by Paces Facilities Manager who oversees implementation of health and safety policies and procedures and risk and method statements (RAMS).• Annual independent health and safety audit undertaken on both sites (Thornccliffe Hall and Smithy Wood).• Workforce compliant with mandatory training, policies and practices.• Trustee with lead designation for H&S undertakes annual site visit and assesses GEMS file for recommendation and adoption at board level.• Effective business continuity plans in place which are regularly reviewed and tested to ensure they remain fit for purpose.



Risk Management

Financial Management and Financial Compliance

Risk	Mitigations
Loss of statutory contractual funding	<ul style="list-style-type: none">• In contract with 9 Local Authorities for SEN school places• Contract agreements based on children’s Education and Health Care Plans.• DfE Grants for building maintenance, teachers pay & pensions and core school budget, linked to national formulae (all SEN schools).• In contract Sheffield City Council’s Adult Day Opportunities Framework.• In contract with NHS Trusts for adult provision.
Loss of statutory contractual funding. Large cohorts of pupils leaving Paces school.	<ul style="list-style-type: none">• Paces school has forged strong commissioning links with local authorities.• Demand for SEN places remains high.• Parent and Child Programme acts as a feeder to school places.
Financial mismanagement, fraud, bribery and corruption	<ul style="list-style-type: none">• Financial Regulations and Financial Procedures and Controls assessed annually by trustees.• Head of Operations responsible for implementation of policies and procedures at all levels• HoOp’s supported by Paces Finance Manager.• Annual external audit assesses adherence to Financial Regulations.

Our People – Human Resources and Skills

Risk	Mitigations
Inability to attract, develop and retain employees	<ul style="list-style-type: none">• Human Resources Strategy adopted by Trustees Jun 25.• Staff retention higher than comparable provisions (87%)• Staff terms and conditions improved. Pay banding introduced and all roles benchmarked.• Wellbeing committee established and strong results in annual engagement survey.• Supportive performance management framework implemented in school, adult services and charity team.
Availability of adequately trained staff	<ul style="list-style-type: none">• Comprehensive programme of CPD in place.• Multi-disciplinary Conductive Education and teacher training opportunities offered throughout the charity.• Three staff currently undertaking CE undergraduate studies.• Conductor Assistant and Senior Conductor Assistant internal training implemented in both Paces school and adult services.• We employ skilled staff teams, supported by mandatory training.• Appropriate staff resourcing ensures a safe environment for children, adults, families and staff.
Inability to effectively recruit skilled Trustees	<ul style="list-style-type: none">• 24/25 saw a significant effort placed in to securing Trustees with a wide range of expertise.• As at November 25 Paces Trustee board has grown to 8.



Risk Management

Fundraising

Risk	Mitigations
Reduction in fundraising due to challenging fundraising climate	<ul style="list-style-type: none">Strategically, Paces has sought to increase contractual income, reducing dependence on fundraising – However funding still essential to securing equipment and non-statutory funded services.Revised fundraising strategy developed June 25.Regular reporting and performance meetings.Fundraising better targeted to key projects.RoI has improved in both fundraising disciplines.
Parent and Child Programme funding ceases October 26	<ul style="list-style-type: none">Paces in last year of 9 eligible years Children in Need funding.Strong evaluation process required to support alternative sources of grant funding developed.Diversification utilising funds from Paces community and corporate fundraising may be required.

IT Security and Insurances

Risk	Mitigations
IT Security and Resilience – the lack of IT skills, capacity, appropriate protection controls and security	<ul style="list-style-type: none">Support by external IT company with responsibility for cyber security. Data backed up routinely.Cyber security policies and procedure implemented and embedded.Phishing training implemented with all staff.Strong cyber insurance cover adhering to financial regulations.
Insurance is inadequate leading to risk in all areas	<ul style="list-style-type: none">Full insurance cover enacted annually (Markel Insurance).Insurance cover exceeds contractual requirements established by contracting local authorities.



Structure, Governance & Management

Paces Sheffield is registered as a charitable company limited by guarantee (company registration number 04793176) and registered charity (number 1104356).

This report incorporates the trustees report and financial accounts for the year ended 31st August 2025 required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

The organisation is governed by its Memorandum and Articles of Association, incorporated on 10th June 2003. Amended by special resolution dated 9th Dec 2017 as amended on 22nd Oct 2018

The trustees are clear of the charity's purpose which is restricted to 'promoting the care, welfare, interest, treatment and education of young persons and adults with motor dysfunction, in particular by the promotion and provision of facilities for Conductive Education'.

The Paces Board of Trustees are both trustees of the charity and a legal directors of the company.

Paces operates with a board of trustees and a board of school governors (governing Paces School) overseeing strategic direction of the charity and school. The trustees have overall responsibility for the governance and management of the company and the charity.

Paces Director of Services (DoS) has delegated responsibility for delivery of the trustee's strategy and for operational management. The DoS is supported by the senior management team (SMT).

Following a further year of growth across the organisation, the trustees have sought to strengthen the SMT structure to ensure good and effective management of current operations and to enable capacity to develop plans for the future.

Resultantly, the former Head of Conductive Education (Ruth Liu) has been appointed as Director of Services. Former Head of Operations (Paul Walters) has been appointed to the post of Head of Strategy. The vacated role of Head of Operations has been filled by an external appointment (Tom Lane) and former Deputy Head of Paces School (Lizzie Bell) has been appointed as Head Teacher.

During the year, the charity identified a breach of its governance procedures relating to the move of a trustee to a paid employee role. The appointment was made following a robust recruitment and selection process involving assessment of several strong external candidates but without first obtaining authority from the Charity Commission. Upon discovery, the trustees took immediate steps to address the issue, including reporting the matter to the Charity Commission, reviewing the charity's governing document, and implementing strengthened procedures to ensure compliance with legal requirements in future. The trustees are satisfied that appropriate controls are now in place to prevent recurrence.

Methods of appointment or election of trustees

The appointment of trustees is in accordance with the Memorandum and Articles of Association. Each Trustee will service a term of office of three years without the requirement for re-election at a General Meeting. A term of office will commence on the first day of the new financial year. Trustees can be re-elected for a maximum of three terms unless exceptional circumstances apply in which case the final term can be extended by a period of one year.

If the charity at the annual general meeting at which a trustee retires by rotation does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the trustee is put to the meeting and lost.

Trustees can appoint a new trustee at any time (subject to this not exceeding the maximum number of ten trustees (including the Chair). A new trustee appointed by the trustees only holds office until the next AGM, where they are reappointed by resolution of the members. Once appointed at the AGM, the three-year cycle for retirement/reappointment begins.

The trustees are all volunteers who give their time freely and do not receive financial benefit for the time they invest into the charity and company.

Policy adopted for the induction and training of trustees

Trustee vacancies are recruited depending on the particular skills and expertise which is required at the time to ensure that the widest possible range of expertise relevant to the charitable company's objects is maintained. New trustees are interviewed by members of the board and appointed where they have the necessary skills to contribute to the effective governance of the charity. On being appointed, trustees have access to the 'electronic shared drive' containing key documentation, including the governing document, the most recent statutory accounts, full trustee board and sub-committee minutes.

New trustees are fully inducted by the Director of Services, they visit both Paces School and Paces Adult Service, and receive Conductive Education training. Trustees receive an induction pack and Paces School and Adult Services prospectus. Paces obtains two professional references and undertakes full DBS safeguarding checks for all new trustees.

Trustee Meetings and Sub-committees

The trustees hold four full board meetings annually (plus Paces AGM) they also operate sub-committees with representation from trustees and the SMT, relevant to areas of expertise. Each sub-committee is chaired by a trustee and reports to the trustee board.

All trustee and sub-committee meetings held throughout the year were quorate.



Structure, Governance & Management

Trustee sub-committees:

HR, Finance and Remuneration (including Fundraising) Committee, is responsible for oversight of financial management and performance, internal and external financial audit processes; and to ensure adherence to Paces Financial Regulations.

Conductive Education Quality Assurance Committee, is responsible for the oversight of the quality of delivery of Conductive Education programmes at both Paces school and Paces Adult Services Provision, including safeguarding.

Compliance and Risk (including Health and Safety, Facilities and Governance) Committee, is responsible for ensuring regulatory compliance in relation to the charities’ legal and statutory requirements, the management and mitigation of risk, ensuring robust internal controls are in place and to provide assurance to the full board of trustees that risks and compliance obligations are being effectively managed.

Arrangements for setting pay and remuneration of key management personnel

Pay for the Director of Services and the SMT has been set by the trustees and is reviewed by the whole trustee board on an annual basis. The pay levels are in line with those paid for similar roles within educational, healthcare and charity sectors. It is essential that salaries are set at a level which both attract, retain and motivate staff, which is a consideration for the trustees when agreeing salary levels and salary increases.

Declarations of Interest

Paces operates a conflicts of interest policy. Any conflicts held by trustees or the SMT must be declared. An annual declaration of interest form is signed by both trustees and the executive team prior to Paces AGM.

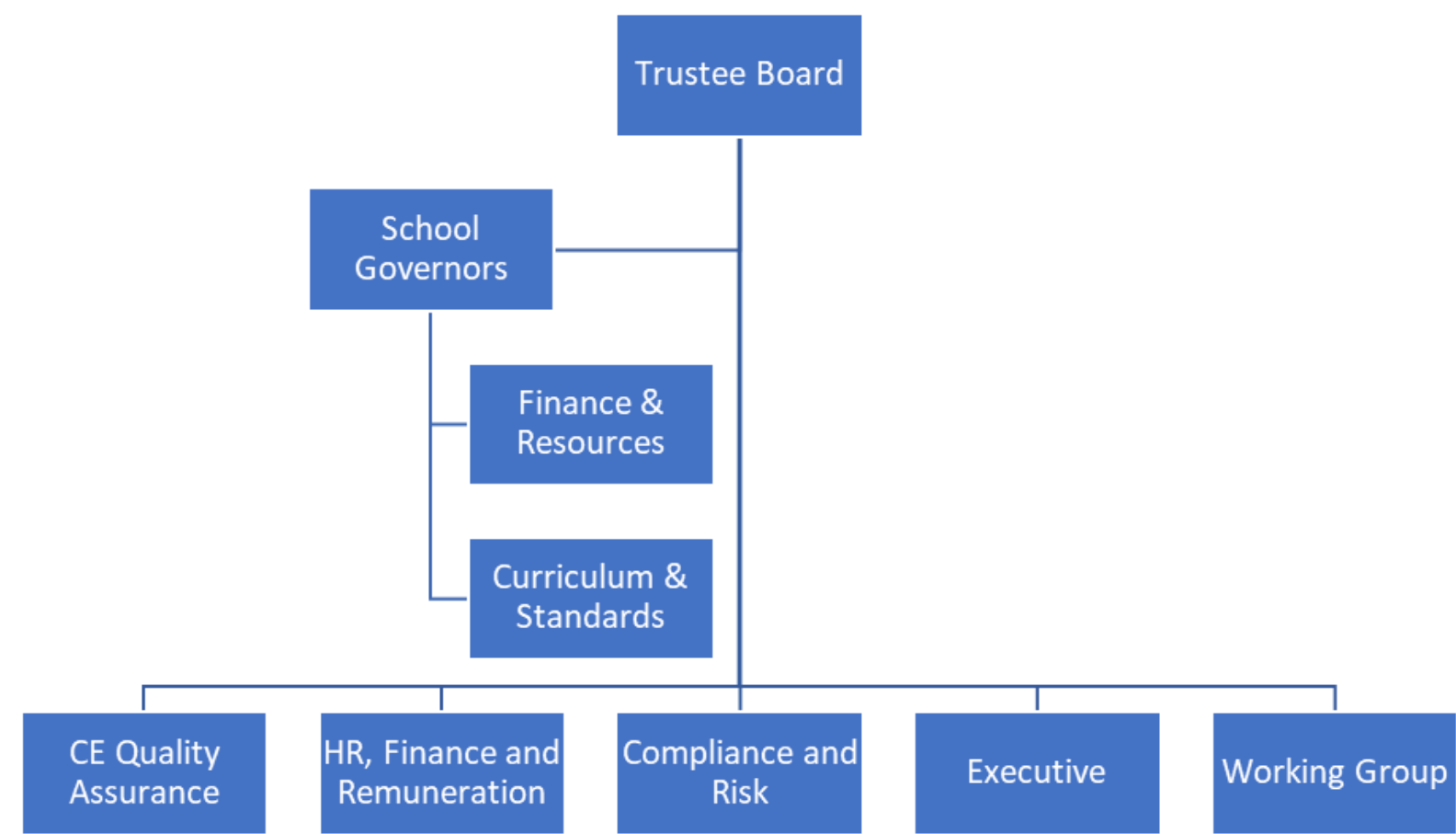
Declarations of Interest form part of both trustee and sub-committee meeting agendas, as standing agenda items and any declarations would be managed by following procedural advice established in the policy.

Public Benefit

In planning and delivering our services and activities, the trustees and Director of Services of Paces Sheffield have given due regard to the need to ensure that the school and our adult provision provides public benefit, in accordance with the Charities Act 2011. The trustees are satisfied that Paces Sheffield meets public benefit requirements, particularly in relation to the delivery of education and adult social care provision.

Details of how the Charity has carried out its activities for the public benefit are summarised throughout this report.

Organisation Chart



Reference and Administrative Details

Trustees:

Michelle Williams – Chair
David Idle
Alison Roy
Rachel Emma Dodd
Elizabeth Barran (appointed 15.5.25)
Keith Hurst (appointed 6.8.25)
Laurie Cottam (appointed 14.10.25)
Lisa Swales (appointed 14.10.25)
Harry Withers (resigned 26.4.25)
Thomas Lane (resigned 12.1.25)

Registered Company Number:

04793176 (England and Wales)

Registered Charity Number:

1104356

Registered Name:

Paces Sheffield

Registered Office:

Unit 4,
Smithy Wood Business Park,
Smithy Wood Drive,
Sheffield.
S35 1QN

Company Secretary:

Waterstone Company Secretaries
Ltd

Independent Auditors:

Sumer Auditco Limited,
Albert Works,
71 Sidney Street,
Sheffield
S1 4RG

Bankers:

Royal Bank of Scotland,
Spinningfields Square,
1 Quay Street,
Manchester
M3 3AP

Handelsbanken
7th Floor, 3 St Paul’s Place,
129 Norfolk Street,
Sheffield
S1 2JE

Senior Management Team:

Director of Services	Ruth Liu
Head of Operations	Thomas Lane
Head of Strategy	Paul Walters
Head Teacher	Elizabeth Bell



Financial Review 2024-25

Financial Overview

During the year Paces maintained strong financial performance. Charity income increased by 13.7% which was predominantly due to increases in both SEN placements and adult day service placements. However, fee increases were proportionately lower than in 2024 and this may reflect a challenging financial environment currently facing most local authorities.

Income from charitable activities amounted to £3,831,410 (2024 (as restated): £3,351,728). Other income including income from donations and other incoming resources was £601,759 (2024 (as restated): £549,280) giving a total income for the year of £4,433,169 (2024: £3,901,008).

Expenditure for the year increased this was mainly due to increases in staffing costs, which was planned for prior to and following the growth of both children’s and adult services. Paces also had to address financial pressure implemented on the charity through the 2024 Governmental budget which saw significant increases in employers national insurance.

Total expenditure for the year was £3,924,077 (2024: £3,326,106).

In the year to 31 August 2025 Paces reported a surplus of £509,092.

Paces Crowdfunded Bond (Social Lending)

As outlined earlier in this report, in July 2021 Paces drew down a £1.5m crowdfunded bond as part of its plans to refurbish Thorncliffe Hall and Unit 4, Smithy Wood Business Park. Paces currently pays interest of 6% per annum (£90,000) to bond holders each year, but repays £1.5m as one lump sum in August 2029 (presently shown in the accounts as £1.4975m, as £2,500 has been repaid by Paces at the request of bondholders).

Paces saves monthly from its surpluses to repay the bond. To this effect Paces continues to allocate £240,000 per annum over the term of the crowdfunded bond to meet its social lending liabilities in full in August 2029.

VAT change of classification

In 2024 the government confirmed that the introduction of 20% VAT on private school fees would apply from 1 January 2025. As part of this change in policy Non-Maintained Special Schools (including Paces) were required to become VAT registered. In December 2024 Paces became VAT registered. Paces now charges VAT to local authorities on its school educational contracts.

This change of government policy meant that Paces is also able to reclaim input VAT on some of its purchases. It also means that Paces is able to reclaim input VAT on historical purchases including the costs of refurbishing Thorncliffe Hall (expended in 2022) under the Capital Goods Scheme.

Cash Position

Paces cash position remains healthy and grew to £2.442m (2024: £1.709m), this increase is primarily due to continued saving for the repayment of our crowdfunded bond.

Paces has been fortunate that interest rates have risen and interest on savings has offset the bond interest costs. These rates of interest were never estimated within prudent business planning and as such has further supported an increase in cash reserves.

Paces has made great efforts to further strengthen its cash position which has enabled Paces to:

- Make a change in its reserves policy to better reflect Charity Commission guidance and the fact that Paces is now a larger charity.
- Recognise Paces plans for the future and its potential need to further expand provision.



Financial Review 2024-25

Reserves Policy

In July 2025 the trustees revised Paces reserves policy to increase the minimum of operating costs for the organisation to five months as a desired level of reserve. This level of reserve reflects Paces Risk Register and in particular the relative levels of risk within its income streams. Paces also aims to grow its reserves annually to help meet current liabilities (social lending) and possible future costs of strategic decision making through the potential development of a new building to add future capacity.

From September 1st 2025 one month of organisational expenditure equated to approximately £375,000.

Total funds carried forward are £2,331,785 (2024: £1,822,693) of which £109,220 (2024: £69,741) are restricted funds and £2,222,565 (2024: £1,752,952) are unrestricted funds.

Of the unrestricted funds, £1,470,559 (2024: £1,559,700) represents the net book value of fixed assets, leaving a surplus of reserves of £752,006 (2024: £193,252).

The surplus on reserves of £752,006 is stated after allowing for the social lending bond creditor of £1,497,500.

However, none of the bond is due to be repaid until August 2029 and as such liquid reserves of £2,249,506 (2024: £1,690,752) will remain at a higher level until this date. This represents over 6 months of expenditure.

If current cash savings for repayment of the bond were taken from the liquid balance of funds, this would equate to 4.9 months of available reserves.

Paces continue to save £240,000 per annum until the bond is repaid in August 2029.

Going Concern

The Trustees have considered the level of funds held and expected level of income and expenditure and forecasted cash flow for the year to 31 August 2027 and have applied various scenarios to stress test these forecasts. The budgeted income and expenditure is expected to be sufficient with the level of reserves for the Charity to be able to continue as a going concern.



Trustees Responsibilities Statement

The Trustees (who are also the directors of Paces Sheffield for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

there is no relevant audit information of which the charitable company's auditors are unaware; and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Sumer Auditco Limited were appointed as auditor to the company following BHP LLP becoming part of the Sumer Group on 31 December 2025, which required a change in audit firm to comply with applicable regulatory requirements.

In accordance with section 487(2) of the Companies Act 2006, Sumer Auditco Limited are deemed to be reappointed annually.

Approved by the Board of Trustees on 02/04/2026 GMT and signed on its behalf by:

Michelle Williams
Signer ID: UJ86TFUYJ...

Michelle Williams – Chair of Trustees

Message from our Chair of Trustees

It is a privilege to present this annual report and reflect on another year of progress for Paces Sheffield. Now two years into my term as Chair, I continue to be humbled by the dedication of all our staff, and the determination of the children, adults and families we support. It is so encouraging to see our ethos reflected in the progress and achievements of those we support as they develop greater independence, confidence and life skills.

The Board of Trustees is responsible for ensuring that Paces remains well governed, financially sustainable and focused on its charitable objects. Throughout the year the Board has maintained oversight of strategy, risk management and organisational development, supporting the Senior Management Team in strengthening their structure and strategic focus following a period of consolidation post the move to Thorncliffe Hall.

Demand for our provision continues to grow and we are approaching the capacity originally envisaged for later years of our development plan. Trustees are therefore considering the longer-term future, including the potential purchase of the Smithy Wood site in 2026. Securing the site would provide greater stability and flexibility to support future development.

The achievements of Paces are made possible by the professionalism and commitment of our staff and the continued support of our partners, funders and volunteers. On behalf of the Board of Trustees, I would like to thank everyone who contributes to the work of Paces, and especially the children, young people and adults whose determination and achievements inspire all that we do. The trustees remain committed to strong governance and responsible stewardship as we plan for the future and continue to expand opportunities for those we support.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD

Opinion

We have audited the financial statements of Paces Sheffield (the 'charitable company') for the year ended 31 August 2025, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD (CONTINUED)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement responsible individual ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management and trustees and from our knowledge and experiences of the sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including Charities Act 2011, Companies Act 2006, GDPR, employment law, safeguarding and health and safety legislation;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance including Finance and Audit Committee;
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

PACES SHEFFIELD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACES SHEFFIELD (CONTINUED)

Sumer Audit

Signer ID: WKOLTHN6RI...

Rachel Heath (Senior statutory auditor)

for and on behalf of

Sumer Auditco Limited

Statutory Auditor

Chartered Accountants

Albert Works

Sidney Street

Sheffield

S1 2RG

Date: 02/04/2026 GMT

PACES SHEFFIELD
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds As restated 2024 £
	Note				
Income from:					
Donations and legacies	3	94,204	442,950	537,154	497,967
Charitable activities	4	3,831,410	-	3,831,410	3,351,728
Investments	5	62,683	-	62,683	45,537
Other income	6	1,922	-	1,922	5,776
Total income		3,990,219	442,950	4,433,169	3,901,008
Expenditure on:					
Raising funds	7	193,911	-	193,911	209,773
Charitable activities	8	3,371,320	358,846	3,730,166	3,116,333
Total expenditure		3,565,231	358,846	3,924,077	3,326,106
Net income		424,988	84,104	509,092	574,902
Transfers between funds	17	44,625	(44,625)	-	-
Net movement in funds		469,613	39,479	509,092	574,902
Reconciliation of funds:					
Total funds brought forward		1,752,952	69,741	1,822,693	1,247,791
Net movement in funds		469,613	39,479	509,092	574,902
Total funds carried forward		2,222,565	109,220	2,331,785	1,822,693

The Statement of financial activities includes all gains and losses recognised in the year.

PACES SHEFFIELD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04793176

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	1,470,559	1,559,700
		<u>1,470,559</u>	<u>1,559,700</u>
Current assets			
Debtors	14	311,110	233,049
Cash at bank and in hand		2,441,867	1,708,711
		<u>2,752,977</u>	<u>1,941,760</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(394,251)	(181,267)
Net current assets		<u>2,358,726</u>	<u>1,760,493</u>
Total assets less current liabilities		<u>3,829,285</u>	<u>3,320,193</u>
Creditors: amounts falling due after more than one year	16	(1,497,500)	(1,497,500)
Total net assets		<u><u>2,331,785</u></u>	<u><u>1,822,693</u></u>
Charity funds			
Restricted funds	17	109,220	69,741
Unrestricted funds	17	2,222,565	1,752,952
Total funds		<u><u>2,331,785</u></u>	<u><u>1,822,693</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

PACES SHEFFIELD

(A Company Limited by Guarantee)

REGISTERED NUMBER: 04793176

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2025

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Michelle Williams

Signer ID: UJ86TFUYIJ...

Michelle Williams

Date: 02/04/2026 GMT

The notes on pages 33 to 54 form part of these financial statements.

PACES SHEFFIELD
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	As restated 2024 £
Cash flows from operating activities			
Net cash used in operating activities	20	708,105	643,749
Cash flows from investing activities			
Interest received		62,683	45,537
Purchase of tangible fixed assets		(43,843)	(39,652)
Reclaimed VAT on purchase of tangible fixed assets		88,904	-
Net cash provided by investing activities		107,744	5,885
Cash flows from financing activities			
Repayments of bonds		-	(500)
Interest paid		(82,693)	(87,623)
Net cash used in financing activities		(82,693)	(88,123)
Change in cash and cash equivalents in the year		733,156	561,511
Cash and cash equivalents at the beginning of the year		1,708,711	1,147,200
Cash and cash equivalents at the end of the year	21	2,441,867	1,708,711

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Paces Sheffield meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis of income, ensuring a fair and consistent allocation.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Where applicable, expenditure is presented net of recoverable VAT following VAT registration.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Property improvements Smithy	- 10 years straight line
Wood	
Property improvements Thorncliffe	- 8 years / 25 years straight line
Hall	
Fixtures, fittings and equipment	- 5 years straight line
Computer equipment	- 3 years straight line

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.8 Liabilities and provisions (continued)

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Concessionary loan

The bond payable is treated as a concessionary loan which is initially measured at the amount received. The carrying amount of the bond is adjusted to reflect any accrued interest payable.

1.11 Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.12 Pension costs and other post-retirement benefits

The charitable company does not administer a pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate and represent payments by the charity on behalf of an employee to a defined contribution scheme.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

i. Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the tangible fixed assets.

ii. Dilapidations Provision

Consideration has been given to the potential dilapidation obligations relating to the leasehold properties. After assessing the current condition of the premises and the likelihood of any required repairs or reinstatement costs, management has concluded that no provision is necessary. While dilapidation provisions typically reflect expected future expenditure to restore leased premises, the present evaluation indicates that no material obligations are anticipated at this time.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds As restated 2024 £
Donations				
Matchroom Charitable Foundation	-	-	-	25,000
Other donations	94,204	-	94,204	142,920
Grants				
DfE grants	-	240,093	240,093	175,504
Pupil Premium	-	25,784	25,784	26,845
Market Sustainability and Improvement Fund	-	-	-	5,608
Children In Need	-	27,456	27,456	27,455
Sport England Grant	-	5,732	5,732	-
Holidays Activities with Food Grant	-	3,532	3,532	6,118
Hays Travel Foundation	-	5,000	5,000	-
National Lottery- Awards for All	-	10,589	10,589	-
St James Place	-	30,000	30,000	-
Webmart Ltd	-	22,837	22,837	-
The Percy Bilton Charity	-	-	-	6,592
The National Lottery Community Fund	-	30,000	30,000	40,000
St Wilfrid's English Hub	-	-	-	6,000
Slater and Gordon	-	-	-	10,000
Other grants	-	41,927	41,927	25,925
	<u>94,204</u>	<u>442,950</u>	<u>537,154</u>	<u>497,967</u>
Total 2024	<u>170,333</u>	<u>327,634</u>	<u>497,967</u>	

The prior year income has been reclassified to correctly classify income. The impact is increase of £9,949 in Charitable activities and decrease in donations of £9,949.

PACES SHEFFIELD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds As restated 2024 £
Children's services	3,173,954	3,173,954	2,812,706
Adult services	655,116	655,116	538,557
Adult sessional	2,340	2,340	465
	<u>3,831,410</u>	<u>3,831,410</u>	<u>3,351,728</u>
Total 2024	<u>3,351,728</u>	<u>3,351,728</u>	

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank interest received	62,683	62,683	45,537
Total 2024	<u>45,537</u>	<u>45,537</u>	

PACES SHEFFIELD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

6. Other income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Student placement income	1,922	1,922	5,776
Total 2024	5,776	5,776	

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Fundraising costs	50,100	50,100	86,727
Wages and salaries	125,676	125,676	109,148
Social security	14,369	14,369	10,795
Pension costs	3,766	3,766	3,103
	193,911	193,911	209,773
Total 2024	209,773	209,773	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Children's services	2,728,711	358,846	3,087,557	2,642,300
Adult services	642,609	-	642,609	474,033
	<u>3,371,320</u>	<u>358,846</u>	<u>3,730,166</u>	<u>3,116,333</u>
Total 2024	<u>2,796,298</u>	<u>320,035</u>	<u>3,116,333</u>	

	Direct costs 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Children's services	2,851,497	236,060	3,087,557	2,642,300
Adult services	615,460	27,149	642,609	474,033
	<u>3,466,957</u>	<u>263,209</u>	<u>3,730,166</u>	<u>3,116,333</u>
Total 2024	<u>2,861,087</u>	<u>255,246</u>	<u>3,116,333</u>	

Support costs represent central office functions which includes costs of the finance team salaries, human resources, promotion and advertising, information technology and finance costs.

9. Auditor's remuneration

	2025 £	2024 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	14,500	14,400
Fees payable to the charity's auditor in respect of:		
All taxation advisory services not included above	1,000	-

PACES SHEFFIELD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

10. Net income/(expenditure)

This is stated after charging:

	2025	2024
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	123,833	131,890
Hire of plant and machinery	132	144
Bond interest	87,596	87,623
	=====	=====

11. Staff costs

	2025	2024
	£	£
Wages and salaries	2,423,159	1,982,816
Social security costs	230,523	162,388
Contribution to defined contribution pension schemes	124,482	109,369
	=====	=====
	2,778,164	2,254,573

The average number of persons employed by the charity during the year was as follows:

	2025	2024
	No.	No.
Charitable activities	101	91
	=====	=====

The average headcount expressed as full-time equivalents was:

	2025	2024
	No.	No.
Charitable activities	82	73
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

11. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charity was £259,202 (2024: £167,097). The charity considered its key management personnel to comprise the Director of Services, Head of Strategy, Head of Operations and Headteacher.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no expenses were reimbursed or paid directly to any Trustees (2024 - £59 to 1 Trustee) for travel expenses.

PACES SHEFFIELD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

13. Tangible fixed assets

	Property improvements Smithy Wood £	Property improvements Thorncliffe Hall £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost					
At 1 September 2024	180,100	1,500,804	192,614	72,631	1,946,149
Additions	65,636	21,362	34,305	-	121,303
Disposals	-	-	(37,349)	(15,575)	(52,924)
Transfers between classes	-	(86,611)	-	(2,293)	(88,904)
At 31 August 2025	245,736	1,435,555	189,570	54,763	1,925,624
Depreciation					
At 1 September 2024	59,762	148,381	114,223	64,083	386,449
Charge for the year	18,557	57,161	40,704	7,411	123,833
On disposals	-	-	(37,349)	(15,575)	(52,924)
Transfers between classes	-	-	-	(2,293)	(2,293)
At 31 August 2025	78,319	205,542	117,578	53,626	455,065
Net book value					
At 31 August 2025	167,417	1,230,013	71,992	1,137	1,470,559
At 31 August 2024	120,338	1,352,423	78,391	8,548	1,559,700

PACES SHEFFIELD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

14. Debtors

	2025 £	2024 £
<i>Due after more than one year</i>		
Other debtors	76,607	-
	<u>76,607</u>	<u>-</u>
<i>Due within one year</i>		
Trade debtors	153,764	114,129
Other debtors	10,004	-
Prepayments and accrued income	70,735	118,920
	<u>311,110</u>	<u>233,049</u>

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	114,183	21,921
Other taxation and social security	186,543	36,738
Accruals and deferred income	93,525	122,608
	<u>394,251</u>	<u>181,267</u>
	2025 £	2024 £
Deferred income at 1 September	3,675	380,786
Resources deferred during the year	4,400	3,675
Amounts released from previous periods	(3,675)	(380,786)
	<u>4,400</u>	<u>3,675</u>

Deferred income is in respect of fundraising income paid in advance (2024: deferred income brought forward was in respect of school fees invoiced in advance).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

16. Creditors: Amounts falling due after more than one year

	2025	2024
	£	£
Bonds payable	1,497,500	1,497,500

The bonds are repayable in August 2029 and are unsecured. Some bond holders offered to receive no interest, others received interest at a reduced rate of 3% and the remaining bond holders received interest at 6%, this interest is paid annually (average 5.84%).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2025 £
Unrestricted funds					
Designated funds					
Designated funds - fixed assets	1,559,700	-	(123,833)	34,692	1,470,559
General funds					
General funds	193,252	3,990,219	(3,441,398)	9,933	752,006
Total Unrestricted funds	1,752,952	3,990,219	(3,565,231)	44,625	2,222,565

PACES SHEFFIELD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2025 £
<i>Restricted funds</i>					
DfE PE & Sports Grant	-	16,250	(16,250)	-	-
DfE Free School Meals Grant	-	517	352	-	869
DfE Maintenance Grant	31,289	43,834	(67,990)	-	7,133
DfE Teachers Pay & Pension Grants	-	35,636	(35,636)	-	-
DfE Core School Budget Grant	-	143,856	(97,898)	-	45,958
Pupil Premium	6,957	25,784	(27,030)	(800)	4,911
Outreach	4,576	27,456	(27,456)	-	4,576
Sensory Room Equipment	2,301	37,500	(176)	(39,625)	-
Summer School	-	15,589	(14,189)	-	1,400
Music Equipment	1,697	-	(63)	-	1,634
Adult Sessional Stroke Support	-	7,618	(1,886)	-	5,732
Ceiling Hoists	-	5,000	-	(5,000)	-
Adults - Life Skills Kitchen	7,000	7,000	(14,000)	-	-
Music Tutor	1,588	-	(1,588)	-	-
The National Lottery Community Fund	13,333	30,000	(33,333)	-	10,000
Training Grant	1,000	-	(1,000)	-	-
School Trip	-	15,108	(15,908)	800	-
Webmart - Play Area	-	22,837	-	-	22,837
School Garden	-	5,000	(945)	-	4,055
Other restricted funds	-	3,965	(3,850)	-	115
	69,741	442,950	(358,846)	(44,625)	109,220
<i>Total of funds</i>	1,822,693	4,433,169	(3,924,077)	-	2,331,785

PACES SHEFFIELD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Designated funds - fixed assets	1,651,938	-	(131,891)	39,653	1,559,700
<i>General funds</i>					
General funds	(466,289)	3,573,374	(2,874,180)	(39,653)	193,252
<i>Total Unrestricted funds</i>	1,185,649	3,573,374	(3,006,071)	-	1,752,952

PACES SHEFFIELD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
<i>Restricted funds</i>					
DfE PE & Sports Grant	-	16,250	(16,250)	-	-
DfE Free School Meals Grant	-	5,029	(5,029)	-	-
DfE Maintenance Grant	33,188	36,581	(38,480)	-	31,289
DfE Teachers Pay & Pension Grants	-	97,612	(97,612)	-	-
DfE Tutoring Grant	-	3,173	(3,173)	-	-
DfE Recovery Premium	-	16,859	(16,859)	-	-
Pupil Premium	6,491	26,845	(26,199)	(180)	6,957
Outreach	4,620	27,456	(27,500)	-	4,576
Summer School	1,718	7,107	(9,005)	180	-
Therapy Chairs	6,169	9,676	(15,845)	-	-
Thornccliffe Hall - Hoists & Changing Beds	-	6,592	(6,592)	-	-
SCC - Market Sustainability and Improvement Fund	-	5,608	(5,608)	-	-
Adults - Life Skills Kitchen	-	7,000	-	-	7,000
Slater and Gordon - Outreach	-	10,000	(10,000)	-	-
The National Lottery Community Fund	-	40,000	(26,667)	-	13,333
St Wilfrid's English Hub	-	6,000	(6,000)	-	-
Other restricted funds	9,956	5,846	(9,216)	-	6,586
	<u>62,142</u>	<u>327,634</u>	<u>(320,035)</u>	<u>-</u>	<u>69,741</u>
<i>Total of funds</i>	<u>1,247,791</u>	<u>3,901,008</u>	<u>(3,326,106)</u>	<u>-</u>	<u>1,822,693</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

The specific purposes for which the funds are to be applied are as follows:

DfE PE & Sport Grant: This funding is being used to purchase PE and sports equipment and provide sporting activities for our pupils.

DfE Free School Meals Grant: This funding is for the provision of school meals for pupils under the age of 7 and for pupils of disadvantaged families.

DfE Maintenance Grant: Funding received to be spent on the maintaining and upkeep of the school building.

DfE Teachers Pay Grant and Teachers Pension Grant: To provide additional monies to contribute towards teachers salaries and pension contributions.

DfE Core Schools Budget Grant: a government funding grant to support schools with their operational costs.

Pupil Premium: This funding is being used to raise the attainment of disadvantaged pupils of all abilities and to close the gap between them and their peers.

Parent and Child Programme (Formally known as Outreach): Grant to support the ongoing delivery of our Parent and Child Service.

Sensory room equipment: Grant received towards the purchase of equipment to be used in Adult Services.

Summer School: Grants and donations for Paces children to benefit from conductive education programmes and a range of fun activities over the school holidays.

Music Equipment: Funding given for the purchase of music equipment.

Adults Sessional Stroke Support: Grants to support adults to develop strategies to gain greater control over movement following a stroke.

Ceiling Hoists: Grants received towards the installation of ceiling hoists at both Paces School and Paces Adult Service.

Adult - Life Skills Kitchen: Grants received for the fitting of a new kitchen to be used by service users to develop independence outcomes.

Music Tutor: Grant received towards the costs of a music tutor coming into the school.

The National Lottery Community Fund: Grant received allocated across several different staff salaries.

Training Grant: Grant received for teacher training to give pupils Careers Guidance.

School Trips: Grants which help fund educational school trips that build confidence, social skills and foster independence.

Webmart - Play Area: Funding towards the development of a full inclusive wheelchair accessible play area.

School Garden: Funding towards a wheelchair accessible garden, helping children to access the outdoor environment.

DfE Tutoring Grant: Grant given to the School to enable the purchase of resources needed to start closing the education gap between disadvantaged pupils and their peers.

DfE Recovery Premium: Grant given to support pupils whose education has been impacted by coronavirus.

Therapy Chairs: Donations and funding provided for the purchase of specialist therapy chairs for individual pupils.

Thorncliffe Hall - Hoists & Changing Beds: Grants received for the purchase and installation of hoists at Thorncliffe Hall, also the purchase of changing beds.

SCC - Market Sustainability and Improvement Fund: Grant received allocated across Adult Services salaries.

Slater and Gordon - Outreach: Grant to support the ongoing delivery of our Parent and Child services.

St Wilfrid's English Hub: Grant received for the specialist schools programme for English which helps teach children reading, phonics and language development. This is allocated to teacher's training and resources.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

Other restricted funds are made up of the following smaller funds:

Xmas Monies: Grant received for the purchase of resources for christmas.

Sheffield Town Trust: Core funding supporting management costs which help ensure effective running of the charity.

School Equipment: Donations received towards the purchase of specialist equipment, supporting children's independence.

Adults Services equipment: Grant received towards the purchase of specialist equipment used Adult Services.

Transfers in the year relate to movements in tangible fixed assets for additions, disposals and adjustments for VAT.

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2025 £
Designated funds	1,559,700	-	(123,833)	34,692	1,470,559
General funds	193,252	3,990,219	(3,441,398)	9,933	752,006
Restricted funds	69,741	442,950	(358,846)	(44,625)	109,220
	1,822,693	4,433,169	(3,924,077)	-	2,331,785

Summary of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
Designated funds	1,651,938	-	(131,891)	39,653	1,559,700
General funds	(466,289)	3,573,374	(2,874,180)	(39,653)	193,252
Restricted funds	62,142	327,634	(320,035)	-	69,741
	1,247,791	3,901,008	(3,326,106)	-	1,822,693

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,470,559	-	1,470,559
Debtors due after more than one year	76,607	-	76,607
Current assets	2,567,150	109,220	2,676,370
Creditors due within one year	(394,251)	-	(394,251)
Creditors due in more than one year	(1,497,500)	-	(1,497,500)
Total	2,222,565	109,220	2,331,785

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	1,559,700	-	1,559,700
Current assets	1,872,019	69,741	1,941,760
Creditors due within one year	(181,267)	-	(181,267)
Creditors due in more than one year	(1,497,500)	-	(1,497,500)
Total	1,752,952	69,741	1,822,693

PACES SHEFFIELD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	509,092	574,902
Adjustments for:		
Depreciation charges	123,833	131,890
Depreciation on VAT adjustment	(2,293)	-
Interest paid	82,693	87,623
Interest received	(62,683)	(45,537)
(Increase)/decrease in debtors	(78,061)	223,535
Increase/(decrease) in creditors	135,524	(328,664)
Net cash provided by operating activities	708,105	643,749

21. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	2,441,867	1,708,711
Total cash and cash equivalents	2,441,867	1,708,711

22. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	1,708,711	733,156	2,441,867
Debt due after 1 year	(1,497,500)	-	(1,497,500)
	211,211	733,156	944,367

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

23. Operating lease commitments

At 31 August 2025 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	448,866	172,649
Later than 1 year and not later than 5 years	693,509	653,510
Later than 5 years	1,103,367	1,173,200
	<u>2,245,742</u>	<u>1,999,359</u>

24. Related party transactions

A spouse of a member of key management personnel is employed by the charity as a Senior Conductors Assistant. Employment costs of £24,885 have been incurred (2024: £21,722).

A child of one of the school governors, Emma Dodds is a beneficiary of the charity’s children’s services.

Paul Walters, Head of Strategy, holds one zero-interest bond in Paces Sheffield with a face value of £50.